

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 67*

Short Title: Advance Disposal Tax on White Goods.

(Public)

Sponsors: Representatives R. Thompson, Barnhill, Bowen, DeVane, Hightower; Hackney and H. Hunter.

Referred to: Finance.

February 8, 1993

A BILL TO BE ENTITLED

AN ACT TO IMPOSE AN ADVANCE DISPOSAL TAX ON NEW WHITE GOODS, TO REQUIRE EACH COUNTY TO PROVIDE A DISPOSAL SITE FOR WHITE GOODS, AND TO PROVIDE FOR THE REMOVAL OF CHLOROFLUOROCARBONS FROM WHITE GOODS THAT CONTAIN CHLOROFLUOROCARBONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-290(a)(44) reads as rewritten:

"(44) 'White goods' includes inoperative and discarded refrigerators, ranges, water heaters, freezers, unit air conditioners, and other similar domestic and commercial large appliances."

Sec. 2. Chapter 105 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 2E.

"ADVANCE DISPOSAL TAX ON WHITE GOODS.

"§ 105-113.20. Advance disposal tax on new white goods.

(a) Excise Tax. – A tax is imposed on a new white good that is either manufactured in this State or sold in this State. The tax is ten dollars (\$10.00) for a new white good that contains chlorofluorocarbons and is five dollars (\$5.00) for a new white good that does not contain chlorofluorocarbons.

(b) Liability. – The manufacturer who makes new white goods subject to the tax imposed by this section is liable for the tax imposed by this section. The wholesale dealer or retail dealer who first acquires or otherwise handles from a manufacturer a

1 new white good subject to the tax imposed by this section is liable for the tax imposed
2 by this section. A wholesale dealer or retail dealer who brings into this State a new
3 white good made outside the State is the first person to handle the new white good in
4 this State. A wholesale dealer or retail dealer who is the original consignee of a new
5 white good that is made outside the State and is shipped into the State is the first person
6 to handle the new white good in this State.

7 (c) Monthly Report. – The taxes levied by this Article are payable when a report
8 is required to be filed. A report is due on a monthly basis. A monthly report covers
9 sales and other activities occurring in a calendar month and is due within 20 days after
10 the end of the month covered by the report. A report shall be filed on a form provided
11 by the Secretary and shall contain the information required by the Secretary.

12 (d) Definitions. As used in this section, 'white goods' has the same meaning as
13 set forth in G.S. 130A-290.

14 **"§ 105-113.21. Manufacturer, wholesale dealer, and retail dealer must obtain**
15 **license.**

16 A manufacturer of new white goods shall obtain for each place of business a
17 continuing white goods license and shall pay a tax of twenty-five dollars (\$25.00) for
18 the license. A wholesale dealer shall obtain for each place of business a continuing
19 white goods license and shall pay a tax of twenty-five dollars (\$25.00) for the license.
20 A retail dealer shall obtain for each place of business a continuing white goods license
21 and shall pay a fee of ten dollars (\$10.00) for the license. A 'place of business' is a place
22 where a manufacturer makes white goods or where a wholesale dealer or a retail dealer
23 receives or stores non-tax-paid white goods.

24 **"§ 105-113.22. Use of tax proceeds.**

25 The Secretary shall distribute the taxes collected under this Article, less the cost of
26 collecting the taxes not to exceed seven-tenths of one percent (.7%) of the taxes
27 collected, in accordance with this section. The Secretary shall retain this cost as
28 reimbursement to the Department of Revenue. Each quarter, the Secretary shall credit
29 ten percent (10%) of the net tax proceeds to the Solid Waste Management Trust Fund to
30 be used in accordance with G.S. 130A-309.12 and shall distribute ninety percent (90%)
31 of the net tax proceeds among the counties on a per capita basis according to the most
32 recent annual population estimates certified to the Department by the State Planning
33 Office. A county may use funds distributed to it under this section only as provided in
34 G.S. 130A-309.81."

35 Sec. 3. Article 9 of Chapter 130A of the General Statutes is amended by
36 adding a new Part to read:

37 **"PART 2D. ADVANCE DISPOSAL TAX ON NEW WHITE GOODS.**

38 **"§ 130A-309.80. Purpose.**

39 The General Assembly finds that white goods are difficult to dispose of, and white
40 goods that contain chlorofluorocarbons pose a danger to the environment. It is in the
41 best interest of the State to require that chlorofluorocarbons be removed prior to
42 disposal of white goods that contain them. The purpose of this Part is to provide for the
43 environmentally safe removal of chlorofluorocarbons from white goods that contain

1 chlorofluorocarbons and for the proper collection for recycling or other disposal of
2 white goods.

3 **"§ 130A-309.81. Use of advance disposal tax proceeds.**

4 A county may use tax proceeds collected pursuant to Article 2E of Chapter 105 of
5 the General Statutes only for the proper disposal of white goods or for the removal of
6 chlorofluorocarbons from white goods that contain chlorofluorocarbons.

7 **"§ 130A-309.82. Disposal of white goods; removal of chlorofluorocarbons.**

8 (a) Each county is responsible for providing for the disposal of used white goods
9 located within its boundaries in accordance with the provisions of this Part and any rules
10 issued pursuant to this Part.

11 (b) Each county is responsible for providing for the removal of
12 chlorofluorocarbons from any disposed white goods that contain chlorofluorocarbons.

13 (c) Units of local government may enter into joint ventures or other cooperative
14 efforts with other units of local government for the purpose of disposing of used white
15 goods. Units of local government may enter into leases or other contractual
16 arrangements with units of local government or private entities in order to dispose of
17 white goods.

18 (d) Each county is responsible for developing a description of procedures for the
19 disposal of white goods. These procedures shall be included in any solid waste
20 management plan required by the Department under this Article. Further, any revisions
21 to the initial description of the disposal procedures for white goods shall be forwarded
22 to the Department.

23 (e) A county shall provide, directly or by contract with another unit of local
24 government or private entity, at least one site for the collection and disposal of white
25 goods for that county.

26 (f) No person shall knowingly place or dispose of a used white good in a landfill,
27 incinerator, or waste-to-energy facility.

28 (g) A person who sells new white goods or offers new white goods for sale at retail
29 in this State shall post written notice. This notice must be at least 8 1/2 inches by 11
30 inches in size and must state that State law requires each county to provide a disposal
31 site for white goods and to accept used white goods of the type sold at that retail
32 establishment and must state the location of the disposal site for that county.

33 (h) The Department may assess a civil penalty of not more than fifty dollars
34 (\$50.00) per violation against any person who knowingly violates subsection (g) of this
35 section. Each day a person fails to post a required notice shall constitute a separate
36 violation.

37 **"§ 130A-309.83. Penalties.**

38 Any person who disposes of a white good in a manner that is inconsistent with this
39 Part is guilty of littering pursuant to the provisions of G.S. 14-399 and subject to the
40 criminal penalties set forth in that section.

41 **"§ 130A-309.84. Preemption.**

42 This Part preempts any local ordinance regarding the disposal of white goods to the
43 extent that any local ordinance is inconsistent with this Part or rules adopted pursuant to

1 this Part. A unit of local government may not charge any fees for the disposal of white
2 goods."

3 Sec. 4. G.S. 14-399(i)(4) reads as rewritten:

4 "(4) 'Litter' means any garbage, rubbish, trash, refuse, can, bottle, box,
5 container, wrapper, paper, paper product, tire, ~~appliance~~, white good as
6 defined in G.S. 130A-290, mechanical equipment or part, building or
7 construction material, tool, machinery, wood, motor vehicle or motor
8 vehicle part, vessel, aircraft, farm machinery or equipment, sludge
9 from a waste treatment facility, water supply treatment plant, or air
10 pollution control facility, dead animal, or discarded material in any
11 form resulting from domestic, industrial, commercial, mining,
12 agricultural, or governmental operations. 'Litter' does not include
13 political pamphlets, handbills, religious tracts, newspapers, and other
14 such printed materials the unsolicited distribution of which is protected
15 by the Constitution of the United States or the Constitution of North
16 Carolina."

17 ♦ Sec 5. G.S. 130A-309.12(b) reads as rewritten:

18 "(b) The Solid Waste Management Trust Fund shall consist of:

- 19 (1) Funds appropriated by the General ~~Assembly~~, Assembly.
20 (2) Contributions and grants from public or private ~~sources~~, and sources.
21 (3) Ten percent (10%) of the proceeds of the scrap tire disposal tax
22 imposed under Article 5B of Chapter 105 of the General Statutes.
23 (4) Ten percent (10%) of the proceeds of the advance disposal tax on new
24 white goods imposed under Article 2E of Chapter 105 of the General
25 Statutes."

26 Sec. 6. This act becomes effective January 1, 1994.